

TEACHERS' RETIREMENT SYSTEM OF KENTUCKY

GARY L. HARBIN, CPA
Executive Secretary
502/848-8500



SERVING KENTUCKY TEACHERS SINCE 1940

ROBERT B. BARNES, JD
*General Counsel
and Deputy Executive
Secretary Operations*

J. ERIC WAMPLER, JD
*Deputy Executive Secretary
Finance and Administration*

Kentucky Teachers' Retirement System Achieves Exceptional Investment Performance In 2013

Frankfort, KY, March 18, 2014

The Board of Trustees of the Kentucky Teachers' Retirement System (KTRS) announced at its quarterly meeting on March 17, 2014 the investment returns for the teachers' pension portfolio for the year ended December 31, 2013. The teachers' fund ended the year with a return of 19.7 percent and a market value of \$17.5 billion. The teachers' fund has diversified holdings in domestic and international stocks, bonds, loans, real estate, and private equity.

KTRS's return of 19.7 percent places it in the top 4 percent of pension plans nationwide with assets over \$1 billion. The median return of pension plans nationwide was 15.76 percent. KTRS's returns also exceeded the median returns of corporate plans (13.7 percent) and foundations (15 percent).

"The teachers' fund performance was strong in terms of total return and performing better than its market benchmark. As a result of strong internal investment management and the careful selection of outside managers, KTRS added more than \$1.5 billion to the teachers' fund over the last year," said Gary Harbin, KTRS Executive Secretary.

"Going into the great recession in 2008, KTRS was very well positioned because the teachers' fund did not include subprime mortgages and other high risk investments. KTRS had top 10 percent performance as the market was falling, and thereafter by adjusting asset allocation, has performed in the top 4 percent as markets have rebounded. The long-term performance of the Board of Trustees and professional investment staff is great news for teachers and the taxpayers of Kentucky," said Harbin.

KTRS administers pension and health insurance benefits for over 145,000 active and retired teachers and sends \$1.8 billion in benefit payments to retired teachers every year.

Contact: Beau Barnes
Email: beau.barnes@ky.gov
Phone: (502) 848-8508